

LAIKIPIA



UNIVERSITY

UNIVERSITY EXAMINATIONS

EXAMINATION FOR MASTER OF BUSINESS ADMINISTRATION

MBAD 603: MANAGEMENT THEORY AND PRACTICE

STREAM:

TIME: 3 HRS

DAY: TUESDAY [8.30-11.30 A.M.]

DATE: 15/04/2025

THIS QUESTION PAPER CONSISTS OF THREE (3) PAGES

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INSTRCUTIONS

Answer Question One and ANY OTHER Two Questions

QUESTION ONE

- a) A hypothetical research (case) study aims to revisit the classical model given by Henri Fayol whereby he put forward a set of 14 principles to guide managers in decision-making across organizations. The case study showcases the dilemma in which the top manager of an automobile company finds himself when some of the very basic principles – on which the whole discipline of management is founded--are ignored. This case study highlights that decision-making gets complicated if fundamental principles of management are not complied with. Discuss, with reference to the scenario given above, the Principles of Management as put forward by Henri Fayol **(8 Marks)**
- b) The business decision-making process is a step-by-step process allowing professionals to solve problems by weighing evidence, examining alternatives, and choosing a path from there. In this context, explain the Steps of Decision-Making Process **(7 Marks)**
- c) XYZ Ltd is a large-scale private sector industrial establishment has been ongoing with profit for the last one decade. The company had a good marketing network and sales force all over the country. The organization divided the entire marketing region into six divisions like East, West, North, South, Central and North East. The culture of the organization promotes performance and competency. Its rivals, as well as management experts, acknowledge that the company's most significant advantage is that it has managed to create excellent Spans of Control.
- Read the sub paragraph above and explain the types of Span of Control as well as each of their features **(8 Marks)**
- d) One of the critical steps in the Planning Process, which is a function of management, is Formulation of Derivative Plans. Expound the contents of this step of the Planning Process **(7 Marks)**

QUESTION TWO

- a) The variety of control methods used in some firms seem to be at the same time contradictory and inconsistent. On the one hand, the departments are supposed to be autonomous and authorized to coordinate improvement work. On the other hand, due to the hierarchical structure and the centralized application of management activities, the employees are not involved in setting horizontal key targets. Also, the roles of staff employed on permanent basis roles conflicts with the extensive use of temporary work staff who require well-defined tasks.

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However, consultants say that if the management of the firm becomes aware of the Types of Control, then these challenges can be solved sooner rather than later. Elaborate **(8 Marks)**

- b) When businesses want to introduce change, they depend on effective communication from management to win acceptance from employees, reduce uncertainty and minimize resistance. Managers play an important role in informing and motivating employees to ensure that they understand and respond positively to major changes such as new business procedures. Discuss the skills that a manager requires as a Change Agent in his/her organization **(7 Marks)**

QUESTION THREE

- a) The workplace has changed in the past few years, allowing more and more people to feel valued and respected no matter who they are and where they come from. Despite these changes, many organizations have a long way to go. Some activities within official work places still do not make staff feel comfortable and appreciated. This is where sensitivity training comes in. Discuss, exhaustively, the goals of sensitivity training. **(8 Marks)**
- b) From a management perspective, explain the **business survival strategies available to** business firms **(7 Marks)**

QUESTION FOUR

- a) Directing and guiding are regarded as indispensable factors necessary in achievement of goals and objectives. It is the job duty of the leaders to direct and guide their subordinates. They need to put emphasis towards enriching their knowledge, skills, and abilities, so they are able to help others. In business firms, all the individuals in leadership positions such as heads of sections, directors and senior managerial staff, need to implement the function of directing. Explain, then, the importance of Directing as a function of Management **(8 Marks)**
- b) The waste caused by imprecisely worded regulations or instructions, confusing emails, long-winded memos, ambiguously written contracts, and other examples of poor communication is not as easily identified. In many cases, physical losses can be measured in terms of property damage and injuries deaths. Poor communications can have real world costs and consequences. The failure of managers to communicate effectively can result in massive losses to a firm or company. In this context, discuss how “Filtering” “Information Overload,” “Lack of Source Credibility” and “Semantics” can act as serious barriers to effective communication in firm **(7 Marks)**

